



FEDERAL ELECTION COMMISSION

WASHINGTON, D C 20463

James Lamb, Esq.
Ryan, Phillips, Utrecht & MacKinnon
1133 Connecticut Avenue, N.W.
Suite 300
Washington, DC 20036

APR 18 2006

RE: MUR 5390
Epiphany Productions, Inc.

Dear Mr. Lamb:

On September 14, 2004, the Federal Election Commission found reason to believe that your client, Epiphany Productions, Inc. ("Epiphany"), violated 2 U.S.C. § 441b and initiated an investigation. After considering the circumstances of the matter, the Commission determined, on April 17, 2006, to take no further action as to Epiphany other than admonishment, and closed the file in this matter.

The Federal Election Campaign Act of 1971, as amended, prohibits corporations from making contributions or expenditures in connection with any Federal election. *See* 2 U.S.C. § 441b(a). The term "contribution" includes any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value. 2 U.S.C. § 441b(b)(2). The term "anything of value" includes the provision of any goods or services without charge or at a charge which is less than the usual or normal charge for such goods or services. *See* 11 C.F.R. § 100.7(a)(1)(iii). The Commission admonishes Epiphany for failing to timely charge federal campaign committees for the services it provided in connection with fundraising events held at Galileo restaurant at the request of R. Mitchell Delk from 2000 through 2002 and failing to make commercially reasonable attempts to collect the amounts owed. *See id.*; *see also* 11 C.F.R. § 100.7(a)(4).

The Federal Election Campaign Act of 1971, as amended, prohibits any corporation organized by authority of any law of Congress from making a contribution or expenditure in connection with any election to any political office. *See* 2 U.S.C. § 441b. It also prohibits corporations (including officers, directors or other representatives acting as agents of corporations) from facilitating the making of contributions to federal candidates, including using corporate resources to host campaign fundraising events. *See* 11 C.F.R. § 114.2(f). As a result of its investigation, the Commission has reason to believe that the Federal Home Loan Mortgage Corporation, a corporation organized by law of Congress, compensated Epiphany, through a monthly retainer and through the separate billing of certain expenses, for producing the

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fundraising events discussed in the preceding paragraph. The Commission admonishes Epiphany for accepting such compensation.

Epiphany should take steps to ensure that these violations do not occur in the future.

Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003).

If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in black ink, appearing to be 'Adam Schwartz', written over a horizontal line.

Adam Schwartz
Attorney

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